

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUB
COMMITTEE**

Friday, January 27, 2017 • 7:59 am • 30 House Building

Members Present:

Sen. Allen M. Christensen, Senate Chair
Rep. Paul Ray, House Chair
Rep. Raymond P. Ward, House Vice Chair
Sen. Luz Escamilla
Sen. Daniel Hemmert
Sen. Brian E. Shiozawa
Sen. Kevin T. Van Tassell
Sen. Todd Weiler
Rep. Carl R. Albrecht
Rep. Rebecca Chavez-Houck
Rep. Rebecca P. Edwards

Rep. Sandra Hollins
Rep. Michael S. Kennedy
Rep. Edward H. Redd
Rep. Christine F. Watkins

Members Absent:

President Wayne L. Niederhauser

Staff Present:

Mr. Hector R. Zumaeta Santiago, Staff Economist
Mr. Russell T. Frandsen, Fiscal Analyst
Ms. Clare Tobin Lence, Fiscal Analyst

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at le.utah.gov.

1. Call to Order

Sen. Christensen called the meeting to order at 8:21 AM

2. Unfinished Items from the Previous Agenda

None

3. Public Input on Topics on Today's Agenda

Gina Cornia, Executive Director, Utahns Against Hunger, spoke in favor of prioritizing reserve funding for unmet needs of food pantries statewide by allowing the Department of Workforce Services (DWS) to decide how the spending should take place.

4. ARRA Funds Approval - Department of Health Issue Brief

Mr. Russell Frandsen, Fiscal Analyst gave details about the ARRA Funds Approval Brief - Department of Health and referenced motions #1F and 1G.

Sen. Christensen asked for clarification on how the funds could be spent. There was continued discussion between Sen. Christensen and Mr. Frandsen.

Rep. Kennedy asked question about expiration of the funds.

Ms. Emma Chacon, Assistant Director, Medicaid, Utah Department of Health (UDOH), responded to the question from Rep. Kennedy.

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Discussion continued between Rep. Kennedy and Ms. Chacon.

Rep. Ray Ward asked for clarification about how the money has to be reported and Ms. Chacon replied as to how that is done. Rep. Ward reflected about how the system is difficult to use.

5. Review of Department of Health's Medicaid and Health Financing Budget

Dr. Joe Miner, Executive Director, DOH, introduced Nate Checketts, Deputy Director, UDOH, who gave an overview of the Budget. He referred to and reviewed 4 line items. Sen. Christensen commented.

Sen. Van Tassell asked questions about current expenses of \$10 million. Mr. Checketts specified how the funds are used.

5b-DOH Medicaid and Health Financing Purposes For Which Money Was Used FY 2016

Mr. Checketts gave an overview of Medicaid services.

Sen. Van Tassell asked for clarification of Budget Overview slide

Rep. Redd asked to go back to the Optional slide and for an explanation of the terms buy in and buy out. Mr. Checketts clarified how those work.

There was further dialog between Rep. Redd and Mr. Checketts.

5c1-Medicaid Reduction and Budget Stabilization Restricted Account Fund 1235

6. New Federal Rule on Medical Interpreters

Skipped

7. Review of Department of Health's Children's Health Insurance Program Budget

8. Review of Department of Health's Medicaid Mandatory Services Budget

Mr. Russell Frandsen, Fiscal Analyst discussed budget reduction options as well as the following items.

5c1-Medicaid Reduction and Budget Stabilization Restricted Account Fund 1235

Rep. Edward H. Redd asked for clarification with Mr. Frandsen replying and clarifying.

Mr. Frandsen discussed the Hospital Provider Assessment Fund.

Performance Measures that have changed over 5% were explained by Mr. Frandsen.

Mr. Frandsen shared information about medical and dental claims processed as well as information about increased program efficiencies.

There was discussion between Mr. Frandsen, Sen. Christensen, and Mr. Checketts about performance lag times in the Medicaid area.

Mr. Frandsen began discussing some possible motions including #1S referring to using funds for school nurses, 1AH.

Rep. Michael S. Kennedy asked about the motion having to do with school nurse funding being on 2 committees. Mr. Frandsen conveyed the intent of the report and how it would be handled.

Mr. Nathan Checketts, MPA, Deputy Director, DOH, explained motion 1AG as a housekeeping item. He also explained item 2M from the possible motions sheet as well as 4S and 4T.

MOTION: Rep. Ray moved to approve the following motions from the sheet entitled "Social Services Subcommittee - Motions for Subcommittee Consideration" dated 1/20/2017 10:10 AM: for the Department of Health #1F, 1G, 1S, 1V, 1AG, 2M, 4S, 4T. The motion passed with a vote of 13-0-3.
Voting in the affirmative were:
Christensen A, Ray P, Ward R, Escamilla L, Hemmert D, Weiler T, Albrecht C, Chavez-Houck R, Edwards R, Hollins S, Kennedy M, Redd E, Watkins C.
Absent or not voting were:
Niederhauser W, Shiozawa B, Van Tassell K.

Nate Checketts explained items #1Q, 1U, 1Z, 1AA, 1AB, 4U, and 4V on the blue motions sheet.

Rep Edward Redd requested information as to a time line on these items and Mr. checketts clarified.

Rep. Paul Ray explained #2J on the motions sheet.

Rep. Edward H. Redd asked what percentage of Medicaid budget is being used for unnecessary use of the emergency room. He also raised some concerns about the concept.

Rep. Michael Kennedy expressed concern over this proposal and there was discussion and clarification between Rep. Ray, Sen. Christensen and Mr. Checketts as to the intent language and

there was a decision from Rep. Ray to hold off presenting #2J on the motions sheet. There was also comment from Rep. Chavez -Houck.

Rep. Albrecht asked about the success of the program in New Mexico. Mr. Frandsen agreed to distribute it to the Subcommittee.

Mr. Checketts expressed a concern about motion 1Z and requested that the item be removed. The motion was modified without 1Z.

MOTION: Rep. Ray moved to approve the following motions from the sheet entitled "Social Services Subcommittee - Motions for Subcommittee Consideration" dated 1/20/17 10:10AM: for the Department of Health #1Q, 1U, 1AA, 1AB, 1AC, 1AD, 1AF, 4U, 4V. The motion passed with a vote of 14-0-2.

Voting in the affirmative were:

Christensen A, Ray P, Ward R, Escamilla L, Hemmert D, Shiozawa B, Weiler T, Albrecht C, Chavez-Houck R, Edwards R, Hollins S, Kennedy M, Redd E, Watkins C

Absent or not voting were:

Niederhauser W, Van Tassell K

9. Review of Department of Health's Medicaid Optional Services Budget

Rep. Raymond P. Ward spoke about Medicaid assisted treatment and suboxone. He introduced Chad Hope.

Chad Hope, Director of Pharmacy, Utah Medicaid, spoke about dosages for drug prior authorization and the results of discussion that has taken place. Sen. Christensen asked for clarification.

Rep. Redd questioned the use of suboxone and its use along with the monitoring of its use. Sen. Christensen and Mr. Hope responded to the concern and the discussion continued.

Mr. Russell Frandsen, Fiscal Analyst, explained items # 1T, 1W, 1X and 2N from the motions sheet.

Mr. Checketts explained #1Y, 1AE 1AI, 4W, 4X and 4Y.

Rep. Rebecca Chavez-Houck requested clarification about 1Y intent language related to funding with H.B. 437. Mr. Frandsen clarified for her.

MOTION: Rep. Ray Ward moved to approve the following motion from the sheet entitled

"Social Services Subcommittee - Motions for Subcommittee Consideration" dated 1/20/2017: for the Department of Health #1T, 1W, 1X, 1Y, 1AE, 1AI, 4W, 4X, 4Y. The motion passed with a vote of 13-0-3.

Voting in the affirmative were:

Ray P, Ward R, Escamilla L, Hemmert D, Shiozawa B, Weiler T, Albrecht C, Chavez-Houck R, Edwards R, Hollins S, Kennedy M, Redd E, Watkins C

Absent or not voting were:

Christensen A, Niederhauser W, Van Tassell K

10. Review of Department of Health's Medicaid Sanctions Budget

11. Annual Audit of the State Office of Rehabilitation by the State Auditor

John Dougall, State Auditor, introduced Van Christensen.

Van Christensen, Audit Director, reported on the audit performed at the Utah State Office of Rehabilitation (USOR)

Darin Brush, Director, USOR, spoke in support of the audit reported on.

12. Review of USOR Off Budget Funds

Mr. Hector Zumaeta Santiago, Fiscal Analyst, presented the information on USOR Base Budget. the Off Budget Funds, from the report.

Sen. Allen M. Christensen asked for an elaboration about the activity in the Utah Community Center for the Deaf showing almost no activity in the fund.

Nathan Harrison, Finance Director, Department of Workforce Services addressed the issue and enumerated items the funds were used for and Jennifer Roth, Finance Manager, USOR, presented information on the numbers presented for the Sanderson Center for the Deaf and Blind. A discussion took place with Sen. Christensen and Rep. Ray. Sen. Escamilla requested clarification.

13. Fees in Department of Workforce Services - Utah State Office of Rehabilitation -

Mr. Zumaeta Santiago continued with his presentation on the USOR fees.

Options to Consider When Reviewing Base Budgets was reviewed by Mr. Zumaeta Santiago.

Jon Pierpont, Executive Director, Department of Workforce Services (DWS), presented concerns about the proposed cuts presented with comments from Mr. Zumaeta Santiago to clarify.

Rep. Edward H. Redd asked for clarification on who uses the services from independent living centers. Mr. Pierpont and Rep. Redd along with Sen. Christensen asked about how well these institutions utilize their funds.

Mr. Zumaeta Santiago continued presenting.

16a-DWS - Housing Community Development Purposes - 2017 GS

Mr. Zumaeta Santiago presented information on the following.

20. Workforce Services' State Small Business Credit Initiative Program Fund Base

Mr. Pierpont commented on the Emergency Food Agencies Fund cut and the changed business model and the effect that has on their draw down.

Jonathan Hardy, Division Director, Housing and Human Development, DWS, also spoke to item #2AA on the motions sheet.

22a-DWS Olene Walker Housing Loan Fund Summary - Balance

Rep. Ray had a question about the Olene Walker Housing Loan Fund Summary and the uncommitted balance. Russell Frandsen and Mr. Zumaeta Santiago responded to the question and highlighted some performance trends from the Olene Walker Fund.

26a-Report on Use of Homeless to Housing Reform Restricted Account

Mr. Hardy returned and spoke about the Homeless to Housing Account and report.

MOTION: Rep. Hollins moved to adjourn.

Sen. Christensen adjourned the meeting at 10:29 AM